

SUBCOMMITTEE 3

FINAL ACTION REPORT

Senate Budget and Fiscal Review Committee

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SUBCOMMITTEE No. 3

HEALTH, HUMAN SERVICES, LABOR, and VETERANS AFFAIRS

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HEALTH

0530 Secretary of Health & Human Services

- Approved \$5.3 million (\$2.6 million GF) in new funding for the Child Welfare Services/Case Management System (CWS/CMS). This amount includes \$5 million (\$2.4 million for maintenance and operation of the current system) and \$343,000 (\$171,000 GF) for updated planning costs for the new system to replace CWS/CMS.
- Approved \$25 million (\$11.6 million GF) for procurement of the new automation system for the In-Home Supportive Services program, known as the Case Management Information and Payrolling System (CMIPS) II.
- Approved \$2 million (\$800,000 GF) for ongoing planning activities for replacement of the existing Statewide Automated Welfare System (SAWS) LEADER system, the eligibility, automated determination, evaluation, and reporting system used by Los Angeles.
- Approved an additional \$36.6 million (\$16 million GF) to complete the Interim Statewide Automated Welfare System (ISAWS) Migration planning and begin implementation activities.
- Approved the reduction of \$40.5 million (\$15.3 million GF) to the SAWS CalWORKs Information Network/Welfare Client Data (CalWIN) System to reflect a change from implementation to the maintenance and operation phase of the project.
- *The Governor vetoed \$9.4 million GF for replacement of outdated and failing workstations and help desk support that counties use to administer state-mandated human services programs. This amount included \$2.5 million GF for CWS/CMS, \$6.2 million GF for the SAWS CalWIN and LEADER systems, and \$700,000 GF for CalWIN help desk support.*
- Approved \$156,000 (\$131,000 GF) and two positions to support the work of the Child Welfare Council, established by AB 2212 (Chapter 384, Statutes of 2006) as an advisory body responsible for improving the collaboration and processes of the multiple agencies and courts that serve children and youth in the child welfare and foster care systems.

4120 Emergency Medical Services Authority

- Approved as proposed with minor May Revision technical adjustments.

4260 Department of Health Care Services***Highlights for the Medi-Cal Program***

- ***The Governor vetoed \$331.9 million General Fund from the Medi-Cal Program.*** This reduction is based on historical data which show that on average, the Medi-Cal Program's expenditures have fallen short of the estimate by about \$400 million General Fund. It should be noted that this veto is a bottom-line adjustment and that no specific program area was decreased.
- The Legislature increased by \$214.3 million (\$107.1 million General Fund) the rates paid to health care plans participating in the Medi-Cal Managed Care Program as proposed in the May Revision. ***The Governor vetoed \$106.3 million (\$53.1 million General Fund) from this increased amount.*** AB 203, the Omnibus Health Trailer, codified the new rate methodology and transferred responsibility for Medi-Cal Managed Care rate development to the Department of Health Care Services for County Organized Healthcare Systems which had previously been negotiated by the California Medical Assistance Commission.
- Restored the growth capitation level for freestanding nursing homes and subacute facilities to the full 5.5 percent level for both 2007-08 and 2008-09 for increased expenditures of \$32.6 million (\$16.3 million General Fund) over the May Revision. Also approved trailer bill language to extend the sunset for the rate methodology for one year (June 30, 2009) and to defer the evaluation report for one year.
- Adopted the Administration's reduction of \$77.4 million (total funds), to reflect three changes proposed for pharmacy reimbursement under the Medi-Cal Program. These included: (1) changing the existing payment structure from Average Wholesale Price to an Average Manufacturer Price (AMP); (2) implementing a revised Federal Upper Payment Limit; and (3) recognizing an upcoming settlement agreement between the federal government and First Data Bank (the source of Medi-Cal's pricing structure). Also adopted trailer bill legislation which, among other things, authorizes the Administration to proceed with implementation of the AMP and to recalculate the pharmacy dispensing fee to help offset the reduction in drug ingredient costs.
- Appropriated \$119.9 million (\$60 million General Fund) for rate increases to long-term care facilities *not* governed by the rate methodology contained in AB 1629, Statutes of 2004. Specifically, this rate adjustment applies to "Level A" Nursing Facilities, Intermediate Care Facilities for the Developmentally Disabled (ICF-DD), Distinct-Part Nursing Facilities, Subacute facilities and Rural Swing Beds. Each facility type receives a different percentage increase, based upon their peer grouping and cost reports.
- Redirected a total of \$775,000 (federal Title V Maternal and Child Health) to fund three positions and provide for contract services to proceed with implementation of recommendations regarding performance measures and quality assurance measures for aged, blind and disabled

individuals enrolled in the Medi-Cal Managed Care Program. Adopted Budget Bill Language to have the department develop an action plan, using their May 7th draft report as a guide.

- Reflected the Administration's May Revision to provide an increase of \$18.9 million (General Fund) for the Medi-Cal Minor Consent Program to exempt the program from the federal Deficit Reduction Act of 2005 requirements. This policy decision will be ongoing.
- Adopted the Administration's May Revision to utilize a Medi-Cal presumptive eligibility approach to replace the existing Healthy Families to Medi-Cal Program Bridge since the federal Centers for Medicare and Medicaid (CMS) would not approve an extension of California's waiver for the continuation of the existing Bridge.
- Approved the Administration's May Revision to increase by \$25.2 million (\$12.6 million General Fund) for County Social Services Departments to implement the federal Deficit Reduction Act that requires evidence of citizenship and identity as a condition of Medicaid eligibility for certain individuals who are applying for or currently receiving Medi-Cal benefits.
- Adopted trailer bill language as contained in AB 203, Statutes of 2007, regarding enteral nutrition products and medical supplies to facilitate Medi-Cal contract negotiations and to ensure access to diverse products for enrollees in the Medi-Cal Program. This language saves \$4 million (\$2 million General Fund) as contained in the budget.
- Adopted trailer bill language to extend the sunset date for the Quality Improvement Fee on Medi-Cal Managed Care plans from January 1, 2009 to October 1, 2009, and reduced the fee from 6 percent to 5.5 percent as required by recent federal law changes.
- Adopted trailer bill language to provide clarity regarding the state's court-approved Conlan Plan and necessary reimbursement to eligible Medi-Cal recipients.
- Approved trailer bill language regarding the Medi-Cal Program's ability to recover medical expenses provided through the Medi-Cal Program to individuals who have been awarded third-party payment.
- Adopted trailer bill language to establish a two-county pilot project regarding a personalized Medi-Cal Managed Care provider directory. The two pilot counties will be Los Angeles and Sacramento.
- Increased by \$4.4 million (\$2.2 million General Fund) to reflect a rate increase, as directed by the Budget Act of 2006, for the Program for All-Inclusive Care for the Elderly (PACE).
- Provided \$200,000 (\$100,000 General Fund) to support two staff to process PACE applications to expand the program.
- Adopted trailer bill language to clarify the Adult Day Health Care moratorium.
- The Legislature provided full funding as contained in the Administration's May Revision to support enrollment changes as contained in Senate Bill 437 (Escutia), Statutes of 2006.

However, the Governor vetoed this appropriation which will delay implementation of the self certification program and all other aspects of this legislation by one year.

- The Legislature provided all funding, as proposed by the Administration in the May Revision, to continue several strategies to improve the enrollment of uninsured, eligible children into the Medi-Cal and Healthy Families Program. The following key adjustments are for the Medi-Cal Program:
 - ✓ A total of \$34.1 million (\$14.8 million General Fund) for the DHS was provided by the Legislature to allocate to selected counties to partner with public and private community organizations for outreach, streamlined enrollment, and related measures. ***However, the Governor vetoed the county grants portion of this initiative.***
 - ✓ A total of \$81.7 million (\$40.8 million General Fund) to fund Medi-Cal caseload increases and county administrative processing for enrollment which are attributable to the simplified redetermination form implemented in 2006.
- Increased by \$2.5 million (General Fund) to fund certain services that have historically been part of the state's Family PACT Waiver Program which were recently denied federal funding approval by the Center on Medicare and Medi-Cal (CMS). Specifically, these services include mammography, Hepatitis B vaccines, five medical procedures related to complications of particular contraceptive methods, and diagnostic testing regarding cancer. These medically necessary services will now be fully General Fund supported.
- Provided a total of \$11.1 million (\$5.6 million General Fund) to fund the delivery of the Human Papillomavirus vaccine to applicable women enrolled in the Medi-Cal Program.
- Decreased by \$6.4 million (\$3.2 million General Fund) to account for changes enacted in SB 1755 (Chesbro), Statutes of 2006, regarding a tightening of the medical necessity criteria used for enrollment into an ADHC facility. This reduction assumes a January 1, 2008 implementation date. Also increased by \$2.6 million (\$1.2 million General Fund) to provide 36 positions to phase in program reforms and develop a new rate methodology for these facilities.
- Adopted Budget Act Language to require the DHCS to provide specific data regarding Medi-Cal reimbursement as it pertains to nonemergency medical transportation.
- Augmented by \$2.7 million (\$1.4 million General Fund) for the DHCS to enter into one or more contracts to implement a coordinated care management demonstration project for medically involved Medi-Cal enrollees, including seniors and persons with disabilities who have chronic conditions or who may be near the end of life. The Budget Act of 2006 provided funding for the DHCS to establish and commence with these projects.
- Increased by \$127.5 million (federal funds) to reflect the inclusion of freestanding outpatient clinics and state-operated Veteran's Homes to the current Medi-Cal outpatient supplemental program.

- Increased by \$1.1 million (\$561,000 General Fund) to support 11 positions to provide increased assistance in managing the ongoing administration of the Medi-Cal Hospital Financing Waiver.
- Increased by \$2.3 million (\$565,000 General Fund) to support 19 positions to continue various activities to implement federal HIPPA requirements within the Medi-Cal Program.
- Augmented by \$571,000 (\$285,000 General Fund) to support 5 positions regarding the implementation of federal Deficit Reduction Act requirements affecting the Medi-Cal Program as requested by the Administration.
- Adopted the Administration's request to increase by \$195,000 (\$97,000 General Fund) to support two positions to conduct monitoring activities associated with county administration of Medi-Cal eligibility processing and county performance standards regarding this processing.
- The Legislature rejected the Administration's proposal to close the Fresno field office. ***However, the Governor vetoed the Budget Bill Language regarding this issue.***
- Adopted trailer bill language that directs the DHCS to enter into nonexclusive contracts for purchasing hearing aid appliances, on a bid or negotiated basis, by no later than June 30, 2008.
- Provided additional funding to continue the HIV/AIDS Pharmacy pilot project within the Medi-Cal Program through June 30, 2008.

4260 DEPARTMENT OF HEALTH CARE SERVICES

Highlights for Children's Medical Services & Primary Care and Rural Health

- ***The Governor vetoed \$10 million General Fund from the vital Expanded Access to Primary Care (EAPC) Clinics Program.*** His veto message states intent for legislation to be enacted in the current session to provide \$10 million in Proposition 99 Funds to backfill for this General Fund support. It should be noted that any backfill using Proposition 99 Funds will result in a reduction in funding from other health care programs which are funded using these special fund moneys. In response to this veto, the Legislature passed AB 195 to provide \$10 million in Proposition 99 Funds to restore funding for the EAPC Program and reduced the Major Risk Medical Insurance Program by a corresponding amount.
- Provided \$24.8 million (Proposition 99 Funds) for emergency physicians who provide uncompensated care in hospital emergency rooms. Adopted trailer bill language, as contained in AB 203, Statutes of 2007, which designates how these funds will be appropriated and expended.
- Provided a total of \$234.7 million (\$96.4 million General Fund) for the California Children Services (CCS) Program as contained in the May Revision. Also adopted budget bill language which requires the DHCS to better ensure that children enrolled in the CCS Program will

appropriately receive access to needed durable medical equipment. ***However, the Governor vetoed this budget bill language.***

- Augmented by \$1.9 million (\$1.5 million General Fund) to expand the Newborn Hearing Screening Program to all infants in California by requiring all hospitals with licensed perinatal services to offer hearing screening services and by making available hearing screening services to newborns who are not delivered in hospitals.
- The Legislature increased by \$8.8 million (General Fund) to fund 16 positions to commence implementation of the California Discount Prescription Drug Program. The Governor vetoed this entire amount which delays implementation of the program by at least one year.
- Provided a total of \$49.5 million (total funds) for the Genetically Handicapped Persons Program (GHPP).
- Provided a total of \$2.8 million (\$2.7 million General Fund) for the Child Health Disability Prevention (CHDP) Program to provide vaccinations and health screenings for children not otherwise eligible for the Medi-Cal or Healthy Families programs.
- Adopted trailer bill language to not provide a \$20.2 million (General Fund) appropriation for the County Medical Services Program (CMSP) for 2007-08, as has been done the past several years since the CMSP has not needed this General Fund support.

4265 Department of Public Health

- ***The Governor vetoed \$8.5 million General Fund (on a one-time only basis) in the subvention grant provided by the state to local county health jurisdictions for emergency preparedness functions, including pandemic influenza preparedness and bioterrorism preparedness.*** This veto leaves \$10 million in General Fund support available to the counties for this purpose.
- Reflected a series of adjustments to establish a new Department of Public Health (DPH) as required by SB 162 (Ortiz), Statutes of 2006. The core functions of the new DPH will include: (1) Emergency Preparedness; (2) Communicable Disease Control; (3) Chronic Disease and Injury Prevention; (4) Laboratory Sciences; (5) Family Health Programs; (6) Environmental and Occupational Health; (6) Drinking Water and Environmental Management; (7) Food, Drug and Radiation Safety; (8) Health Statistics; (9) Health Facility Licensure and Certification; (10) Office of Multicultural Health; and (11) Office of Binational Border Health.
- The Legislature provided special funds to support inclusion of 11 unfunded positions for the new Department of Public Health. ***The Governor vetoed this additional special fund support.***
- ***The Governor vetoed \$1.3 million General Fund to support nine new positions to implement SB 739 (Speier), Statutes of 2006, regarding health care associated infections.*** This will delay for one year this program's implementation.

- Adopted trailer bill language, as contained in AB 203, Statutes of 2007, to require the Department of Finance to display more detailed fiscal information in the Governor's published budget regarding the programs within the new Department of Public Health.
- Adopted trailer bill language to require the new Department of Public Health to annually provide expenditure information for actual past year, estimated current year, and proposed budget year for specified programs.
- Fully funded the AIDS Drug Assistance Program as contained in the May Revision.
- Adopted trailer bill language to enable the AIDS Drug Assistance Program to more readily modify its formulary to keep abreast of new drug therapies.
- Utilized \$9.8 million (General Fund), obtained from savings within the AIDS Drug Assistance Program, to increase funding for several programs including \$4 million for the Therapeutic Monitoring Program, \$1.8 million for six eligible metropolitan areas, and \$1.5 million for the AIDS Regional Information and Evaluation System (ARIES).
- Augmented by \$5.6 million (General Fund) HIV/AIDS education and prevention efforts in order to maintain existing funding for these purposes.
- Utilized \$10.7 million (federal Ryan White CARE Act Part B funds), obtained from savings within the AIDS Drug Assistance Program, to increase funding to several HIV/AIDS programs providing case management and early intervention services as contained within the May Revision.
- Augmented by \$2 million (General Fund) to provide an accelerated HIV reporting effort in the 62 local health jurisdictions as directed by SB 699 (Soto), Statutes of 2006.
- Enacted a series of adjustments to reduce the Licensing and Certification (L&C) Fee increases proposed by the Administration and to be paid by various health care facilities. The adjustments included the following:
 - ✓ Directed that \$7 million (L&C Fund) from unspent current-year funds be used on a one-time only basis to offset L&C Fee increases in the budget year.
 - ✓ Adopted a technical adjustment to reduce by \$400,000 (L&C Funds) on a one-time only basis the budget year appropriation to reflect natural salary savings that will occur as part of the phased-in hiring process.
 - ✓ Increased by \$2.6 million (General Fund) to reduce the L&C Fees of certain health care facilities, including primary care clinics.
 - ✓ Increased by \$182,000 (General Fund) to partially offset the L&C Fees for District Hospitals with less than 100 beds.
 - ✓ Adopted trailer bill language regarding the use of General Fund support.

- ✓ Recalculated the L&C Fees by individual clinic facility types, versus the bundled approach the Administration had used.
 - ✓ Adopted trailer bill language to capture certain revenues obtained by the L&C Division to fund expenditures of the program but are not recognized (i.e., offset) in the L&C Fee amounts.
 - ✓ Adopted trailer bill language which enables the Department of Public Health to temporarily revise rate structures (i.e., for 2007-08 only) for individual facility types in 2007-08, provided revisions are revenue neutral and do not shift costs between provider groups.
 - ✓ Adopted Budget Bill Language to have the Office of State Audits and Evaluations review, document, and, where appropriate, evaluate the various aspects of the methodologies used by the L&C Division in the development of the calculation of fees for payment.
- Increased by \$2.5 million (L&C Fund) to support 16 positions to implement SB 1312 (Alquist), Statutes of 2006, which requires surveys and inspections for compliance with state standards to the extent that state standards exceed federal law, and provide greater protection to residents of long-term care facilities.
 - Increased by \$7.2 million (L&C Fund) to support 43 positions to implement SB 1301 (Alquist), Statutes of 2006, related to the reporting of and follow-up on adverse events in hospitals (27 specific types of events). This increase also includes \$569,000 to modify the L&C website in order to display the outcome of inspections, investigations, compliance histories and related items in health care facilities.
 - Increased by \$1.8 million (\$1.4 million General Fund and \$400,000 L&C Fund) to support 12 positions and various contracts to implement SB 739 (Speier), Statutes of 2006, which requires the establishment of a Healthcare Associated Infection Program.
 - Appropriated \$47.3 million (Proposition 84 Bond Funds) for several components of the Safe Drinking Water and Water Quality Project Act as follows: (1) \$9.1 million for emergency grants; (2) \$27.2 million for small community water drinking systems; and (3) \$9.1 million for prevention and mitigation of ground water contamination.
 - Approved a total of \$3.5 million (General Fund) to expedite the planning process by providing expert scientific staff and equipment that will develop the comprehensive Biomonitoring Program as contained in SB 1379 (Perata), Statutes of 2006. This level of funding provides \$2 million (General Fund) more than proposed by the Governor.
 - Adopted trailer bill language to extend the sunset regarding the use of federal bioterrorism funds at the state and local level for three years, and added language for all cost compliance reports and audit exceptions to be provided to the Legislature upon request.
 - Increased by \$700,000 (General Fund) five new positions to investigate foodborne illnesses and outbreaks, and enhance the state's capability to test food and environmental samples for

investigation purposes. This action deleted the \$500,000 in research funding identified for University of California, Davis, and deleted four positions as requested by the Administration.

- Augmented by \$389,000 (General Fund) to support three positions to implement SB 611 (Speier), Statutes of 2006, regarding the inspection of meat processing.
- Approved an increase of \$326,000 (Cannery Inspection Fund) to support three positions to inspect low acid canned food canneries to ensure that these products are produced without botulism toxin contamination.
- Provided total funding of \$118.3 million (Genetic Disease Testing Fund) to fund the Genetic Disease Testing Program.
- Augmented by \$885,000 (Drug and Device Safety Fund) to support eight Senior Food and Drug Investigator positions to perform licensing inspections for new drug and medical device manufacturers, home medical device facilities, and home medical device retailer exemptees.
- Redirected \$426,000 (federal funds) from operating expenses to fund five new positions within the Women, Infant and Children (WIC) Program to expand the breastfeeding peer counseling program from a pilot project to all 82 WIC agencies statewide.
- Continued \$3.5 million (General Fund) for the treatment of prostate cancer (through the Improving Access, Counseling and Treatment for Californians with Prostate Cancer—IMPACT) pursuant to Chapter 442 (Ortiz), Statutes of 2005.
- Established five positions within existing resources to conduct compliance checks of tobacco retailers to reduce illegal tobacco product sales to minors in the City of Los Angeles. Federal law requires that California must decrease the ability for minors to purchase tobacco products and maintain a statewide sales rate to minors of less than 20 percent in order to maintain the receipt of federal Substance Abuse and Prevention Treatment Block Grant funds.

4270 California Medical Assistance Commission (CMAC)

- Approved budget as proposed.
- Adopted trailer bill language to transfer Medi-Cal Managed Care rate reimbursement negotiations for County Organized Healthcare Systems from CMAC to the Department of Health Care Services (DHCS). The CMAC will continue to conduct rate reimbursement negotiations for plans participating in the Geographic Managed Care (GMC) Model of the Medi-Cal Managed Care Program.
- Adopted trailer bill language, as contained in AB 203, Statutes of 2007, to require the CMAC and the DHCS to report at budget hearings regarding the implementation of 2007-08 rate reimbursement changes for GMC Model plans.

4280 Managed Risk Medical Insurance Board

- Appropriated \$1.114 billion (\$400.4 million General Fund) for the Healthy Families Program (HFP).
- Approved, as contained in the May Revision, all funding adjustments for the Certified Application Assistance (CAA) Program to provide reimbursement to application assistors for each person successfully enrolled in the HFP or Medi-Cal, and for each annual eligibility re-determination enrollment.
- The Legislature approved all adjustments as proposed in the May Revision for the Healthy Families Program to implement Senate Bill 437 (Escutia), Statutes of 2006. These adjustments included: (1) \$426,000 (\$149,000 General Fund) to fund four positions to implement a self-certification process, a presumptive eligibility process, and a gateway from the WIC Supplemental Food (WIC) Program to the HFP; (2) funding for caseload adjustments associated with the various gateways; and (3) \$600,000 (\$210,000 General Fund) for systems changes required of the Administrative Vendor to implement the new electronic processes. ***The Governor vetoed this funding which will delay implementation of SB 437 implementation efforts by one year.***
- Adopted proposed trailer bill language, as contained in AB 203, Statutes of 2007, to implement a presumptive eligibility process for children moving from the Healthy Families Program to the Medi-Cal Managed Care Program in lieu of the existing Bridge program since the federal CMS will not renew our existing Bridge Program.
- Continued funding for the Rural Demonstration Projects as contained in the budget.

4300 Department of Developmental Services (DDS)

- Appropriated \$3.6 billion (\$2.2 billion General Fund), for an increase of \$300 million (total funds) over the revised 2006-07 budget, as contained in the May Revision. A total of 219,230 consumers are estimated for 2007-08, an increase of 8,050 consumers over the revised current-year. This action includes adoption of all cost containment provisions, including the Administration's trailer bill language.
- Adopted the Governor's proposed use of \$128.8 million in Public Transportation Account support to fund certain transportation services provided through the Regional Centers.
- Approved the May Revision to increase federal funds through an amendment to California's Medi-Cal Program to include payment for Day Programs and non-medical transportation services for Regional Center consumers residing in Intermediate Care Facilities for the Developmentally Disabled (ICF-DD facilities). A savings of \$36.6 million General Fund is assumed for this action. Also adopted Budget Bill Language to ensure that the integrity of the Individual Program Plan (IPP) is maintained when this is implemented.
- Adopted all May Revision adjustments for both the Regional Center *and* Developmental Center systems that affect the planned closure of Agnews Developmental Center by June 2008. This consists of an overall net increase of \$24.5 million as compared to the revised 2006-07 budget, and is consistent with the department's May 2007, updated Agnews Closure Plan.
- Directed the Department of Developmental Services (DDS) to purchase, lease, or rent two mobile clinics, using existing Wellness Funds, to be specifically outfitted to provide a range of health and medical services as determined by the DDS in working with constituency groups. Adopted Budget Bill Language to enable the DDS to use a competitive process for this purpose but it is exempted from public contract code requirements due to the need to ensure the protection of public health and welfare.
- Adopted trailer bill language, as contained in AB 203, Statutes of 2007, to codify the Medi-Cal Program's verbal commitment regarding Medi-Cal reimbursement to the local health plans for Medi-Cal services provided for people transitioned from Agnews Developmental Center to the community.
- Increased by \$503,000 (\$126,000 General Fund) to support four new positions at the three Bay Area Regional Centers to provide assistance with health care planning for residents transitioning from Agnews Developmental Center.
- Adopted trailer bill language to ensure the continuity of consumer's health care and accountability within the Administration, as well as at the community level between the Regional Centers and the health plans.
- Adopted trailer bill language, as contained in AB 203, Statutes of 2007, for the DDS to continue operation of the Agnews Outpatient Clinic until DDS no longer has possession of the property.

- Enacted budget bill language requiring the DDS to provide additional information regarding the Agnews Developmental Center closure to the Legislature.
- Appropriated a total of \$720.3 million (\$391.5 million General Fund) to serve 2,610 people who reside in the Developmental Centers. This action includes all funding adjustments as proposed by the Administration at the May Revision for employee salary increases related to *Coleman* and *Perez*, as well as other employee compensation adjustments.
- Increased by \$1.1 million (General Fund) to fund 5 new positions and equipment expenditures to begin activation of a 96-bed intensive behavioral treatment residence at Porterville as of January 1, 2008.
- Provided \$2 million (General Fund) on a one-time only basis for water diversion structures at Sonoma Developmental Center.

4440 Department of Mental Health

- The Legislature restored \$54.9 million (General Fund) for the Integrated Services for the Homeless Mentally Ill Program by rejecting the Governor's proposed elimination of the program. *However, the Governor vetoed this restoration from the Budget Act.*
- Appropriated a total of \$254 million (General Fund) for the Early, Periodic Screening, Diagnosis and Treatment (EPSDT) Program to fund the current year and budget year, and to provide \$86.7 million for past year claims. This action assumes that the past year claims of \$260.2 million (General Fund) will be paid over a three-year period beginning in 2007-08.
- Adopted trailer bill language, as contained in AB 203, Statutes of 2007, to require the Department of Mental Health (DMH) to provide the Legislature with specified work products as noted regarding the EPSDT Program in order to make program improvements. It also requires the DMH to provide cost containment options to the Legislature. In addition, the DMH is to work with the Legislature on crafting an administrative framework for the program which is to be codified in statute.
- Adopted all fiscal adjustments for the San Mateo Pharmacy and Laboratory Project. In addition, adopted trailer bill language to provide the Legislature with an action plan to implement fiscal reforms regarding this project.
- Increased by \$5 million (General Fund-Proposition 98) to expand the Early Mental Health Initiative to more classrooms.
- Provided \$52 million (General Fund) for mental health services provided to children enrolled in special education as directed by AB 3632, Statutes of 1984, and as required by the federal Individuals with Disabilities Education Act (IDEA).
- Augmented by \$929,000 (General Fund) for the Forensic Conditional Release Program (CONREP) to support at least 30 additional patients for 2007-08.

- Adopted the May Revision adjustments for the Sexually Violent Predator evaluations and court testimony to reflect revised data which shows less of an increase in these costs than originally projected by the Administration in the January budget.
- Appropriated a total of \$1.117 billion (\$1.039 billion General Fund) to operate the five State Hospitals which serve a total population of 6,095 patients, including patients located at Vacaville and Salinas Valley. About 92 percent of the patients are admitted under a penal code-related commitment.
- Adopted all May Revision salary adjustments for State Hospital employees as they pertain to *Coleman* and *Perez* court cases.
- Increased by \$696,000 (General Fund) for the DMH to support an 18-bed unit at Salinas Valley Psychiatric Program for incompetent to stand trial patients who are too dangerous to reside within the State Hospital setting.
- Augmented by \$4.3 million (General Fund) as contained in the May Revision to fund a pilot treatment option through contracts with providers for treatment of services for those incompetent to stand trial individuals (IST) not currently residing in the State Hospitals thereby reducing the State Hospital through natural attrition and creating additional bed capacity for other forensically committed individuals.
- Approved an augmentation of \$1.7 million (General Fund) and 30 positions to implement the second phase of the expansion of the Patton State Hospital police department to address issues regarding safety and security associated with the penal code population.

HUMAN SERVICES

4140 Office of Statewide Health Planning and Development

- Approved \$2.4 million from the Hospital Building Fund and one position to procure a replacement automation system for the Office of Statewide Health Planning and Development's (OSHPD's) Logbook Database System. This system is used by OSHPD's Facilities Development Division to track health facility construction projects through plan review and construction.
- Approved \$1.4 million from the Hospital Building Fund (\$1.2 million one-time) and three positions to implement Chapter 679, Statutes of 2006 (SB 1661), which provides general acute care hospitals that meet specified criteria the opportunity to obtain an additional two-year extension of the deadline where they have to comply with statutory structural and nonstructural seismic safety requirements.
- Approved \$688,000 from the California Health Planning and Data Fund (\$459,000 one-time) to develop an on-line system to implement Chapter 775, Statutes of 2006 (AB 774). AB 774 requires OSHPD to collect from each hospital a copy of its charity care policy, discount payment policy, eligibility procedures, review process, and application form for financial assistance and make that information available to the public.

4170 California Department of Aging

- Provided \$250,000 GF for the Senior Legal Hotline to ensure that it can continue to provide legal services to California seniors.
- Approved \$93,000 in Mental Health Services Act (MHSA) funds and one position for the California Department of Aging (CDA) to coordinate and monitor efforts to improve access to mental health services for older persons and adults with disabilities.
- Approved \$293,000 GF for CDA to contract with the California Department of Social Services and the 33 Area Agencies on Aging to process criminal record clearances and conduct fingerprinting locally for Long-Term Care Ombudsmen staff and volunteers as mandated by Chapter 902, Statutes of 2006 (SB 1759).
- Approved \$194,000 (\$94,000 GF) and one position for CDA to provide legal analysis and consultation on complex issues arising in implementation of Adult Day Health Care (ADHC) program reforms.
- Provided \$547,000 in federal fund authority for a three-year federal grant to implement evidence-based health promotion community-based programs designed to encourage older adults with chronic health problems to learn skills to better manage their health conditions.

- Enacted trailer bill language to modify program data reporting requirements pending completion of the California Aging Reporting System.

4180 Commission on Aging

- Approved as budgeted.

4185 California Senior Legislature

- Approved as budgeted.

4200 Department of Alcohol and Drug Programs

- Restored \$40 million GF to Proposition 36 (the Substance Abuse and Crime Prevention Act of 2000, or SACPA), bringing the total funding for SACPA to \$100 million GF.
- Reduced funding for the Substance Abuse Offender Treatment Program (OTP) by \$40 million GF from the Governor's Budget. The 2007-08 total is now \$20 million. Approved statutory changes to the OTP to modify the drug court requirement, remove the county allocation cap, and eliminate the sunset date to enable more counties to participate in the OTP.
- Approved \$1.2 million and 12.5 positions (4.5 limited-term) to conduct biennial compliance visits of licensed and/or certified programs, and federally required monitoring reviews and complaint investigations of Drug Medi-Cal providers. Authorized the collection of fees from all providers to fund these activities subject to the development of a permanent fee schedule developed in conjunction with stakeholders and approved by the Legislature.
- Approved \$519,000 GF and six positions (two limited-term) to license and certify additional drug treatment providers as a result of enactment of Chapter 875, Statutes of 2006 (SB 1453), which requires non-violent prison inmates who participated in drug treatment in prison to enter a 150-day residential aftercare drug treatment program upon their release from prison.
- Redirected \$341,000 GF from the existing Comprehensive Drug Court Implementation local assistance appropriation to establish four permanent positions to administer the expanded funding provided in 2006-07 for adult felon drug courts and dependency drug courts.
- Redirected \$197,000 GF from existing funding provided for the California Methamphetamine Initiative (CMI) to provide two limited-term positions to support implementation of the CMI.

4700 Department of Community Services and Development

- *The Governor vetoed the \$2 million GF augmentation provided by the Legislature for the Naturalization Services Program.* Total funding for the program remains at \$3 million GF.

5160 Department of Rehabilitation

- Authorized \$3.3 million in federal fund authority for the Department of Rehabilitation (DOR) to continue to implement the California HIV/Auto-Immune Disorder Demonstration Project. The funding is from a federal Social Services Administration (SSA) grant available to states to study various interventions to assist Supplemental Security Income Program beneficiaries in returning to work. The SSA awarded DOR \$12 million over five years for implementation of this project.
- Approved \$203,000 in Mental Health Services Act (MHSA) funds and two limited-term positions for DOR to assist in the implementation of provisions of the MHSA that relate to assisting persons with severe psychiatric disabilities to obtain employment and independent living skills.
- Authorized \$466,000 of increased federal fund authority to begin the initial development and procurement process for a new Electronic Records System to replace the existing field computer system.
- Adopted trailer bill language to clarify the DOR estimate process and to require reporting of caseload and funding data for the Supportive Employment Program and Work Activity Program in 2007-08.

5170 State Independent Living Council

- Approved as budgeted.

5175 Department of Child Support Services

- Eliminated funding for the federal penalty for child support automation. The final \$215 million GF payment of the federal child support automation penalty was made in the current year. The State had been required to pay an increasing penalty each year since 1997 due to the State's failure to implement a single statewide child support automation system.
- Approved the following budget adjustments to reflect implementation of the federal Deficit Reduction Act (DRA):
 - > \$67.6 million (\$23 million GF) to backfill for lost federal financial participation (FFP) resulting from the elimination of states' ability to use federal performance incentive funds as a match for FFP (which avoids a funding reduction for local child support agencies).
 - > \$1.8 million GF to cover the \$25 annual application fee required by the DRA for families who have at least \$500 in annual collections and have never received Temporary Assistance for Needy Families.
 - > \$27.8 million in reduced collection revenues to reflect the increased payments to custodial parents of the first \$50 of the current month's child support payment collected from the non-custodial parent.

- Reduced funding for the California Child Support Automation System (CCSAS) project by \$107.2 million (\$11.2 million GF) to reflect cost changes identified in various approved special project reports and budget Control Section 11.0 notification letters to the Legislature.
- Reappropriated \$39.8 million in unspent 2004-05 funds to accelerate payments to the CCSAS vendor for services related to federal certification of the system and to pay costs associated with a project delay.
- Approved the redirection of \$3.7 million (\$1.3 million GF) in unspent 2004-05 and 2005-06 funds to provide the following additional position authority to the Department to handle new workload resulting from the implementation of CCSAS:
 - > \$1.161 million (\$394,000 GF), nine permanent positions, and 2 one-year limited-term positions to address workload associated with implementation of the CCSAS.
 - > \$872,000 (\$296,000 GF), seven permanent positions, and 3 one-year limited-term positions for the research, analysis, and processing of Non-Sufficient Funds returned items.
 - > \$288,000 (\$98,000 GF), two permanent positions, and 1 one-year limited-term position to perform increased accounting activities for analyzing and processing bank exceptions.
 - > \$677,000 (\$230,000 GF), six permanent positions to expand the Information Security Program.
 - > \$250,000 (\$85,000 GF) and 3 two-year limited-term positions to manage, maintain, and resolve suspended collections to financial data.
 - > \$249,000 (\$93,000 GF) and 6.5 permanent positions to manage and support a centralized, statewide employer data file.
 - > \$154,000 (\$64,000 GF) and two permanent positions to establish an Internal Audit Unit to conduct audits and evaluations of the Department, including internal control reviews, compliance reviews, special investigations, and efficiency reviews.
- Approved trailer bill language to continue the suspension of the Health Insurance Incentives Program and the Improved Performance Incentives Program.

5180 Department of Social Services

CalWORKs and Food Programs

- Rejected the Administration's proposals to impose full-family sanctions, restrict safety-net grants, and eliminate grants for children of CalWORKs-ineligible parents.
- Adopted trailer bill language to require the Department of Social Services (DSS) to review the county plans for promising practices in the areas of upfront engagement and re-engagement of sanctioned families, gather information on implementation and results of these proposals, and disseminate that information; and require DSS, in conjunction with the California Welfare Directors Association, to review the county plans and work with the counties to determine what activities and strategies counties are using to encourage participation among time-limited

families, gather information about the characteristics of the time-limited population, and report that information by September 1, 2008, with an interim written update due March 1, 2008.

- Adopted trailer bill language requiring DSS to provide the Legislature and the Administration options for consideration by October 1, 2007, to increase the State's welfare-to-work participation.
- Adopted trailer bill language to delay implementation of the Temporary Assistance Program from the current date of October 1, 2007, to April 1, 2009.
- Rejected the Administration's proposal to implement a semi-annual reporting (SAR) requirement for the CalWORKs, federal Food Stamp, and CFAP programs beginning in 2008-09. The existing quarterly reporting requirement remains in place. Rejected \$17.2 million (\$3.7 million GF) to fund one-time automation costs necessary to implement the SAR system.
- Approved \$6.5 million (\$1.1 million GF) to reflect an increase in CalWORKs and California Food Assistance Program (CFAP) benefits related to last winter's freezing conditions.
- Approved \$1.5 million GF to fund local food banks and Foodlink, a private organization that stores and delivers food during emergencies, to provide relief to Californians from the effects of last winter's freeze. ***The Governor vetoed an additional \$2.9 million GF originally provided for this purpose, but which is no longer needed.*** Added trailer bill language that would permit any unused funds to be used for other emergency purposes.
- Approved an increase of \$36.5 million federal funds for CalWORKs Stage 1 child care provider costs resulting from the revised regional market rate ceilings implemented in 2006-07.
- Reduced the TANF reserve by \$84.0 million to \$55.5 million and adopted trailer bill language requiring the Department of Finance to transfer funds from the GF, if needed, for unanticipated CalWORKs costs.
- Approved the Administration's proposal to suspend the CalWORKs cost-of-living adjustment (COLA) for 2007-08 for a savings of \$123.6 million GF.

Supplemental Security Income/State Supplementary Program (SSI/SSP)

- Provided \$24.3 million GF to fund the 2008 State Supplementary Program (SSP) Cost-of-Living Adjustment (COLA) of 3.7 percent. Adopted trailer bill language to permanently shift the annual SSP COLA to June 1 through May 31 of the following year. Provided \$73 million federal funds to fully fund the 2008 Supplemental Security Income (SSI) COLA of 1.97 percent.
- Adopted trailer bill language to enable Cash Assistance Program for Immigrants (CAPI) recipients who naturalize to continue receiving CAPI benefits until their SSI benefits are

received to ensure no gap in coverage for these individuals. The State will be reimbursed by the federal Social Security Administration for CAPI benefits paid from the time of eligibility for SSI benefits to the time SSI benefit payments begin.

In-Home Supportive Services (IHSS) Program

- Rejected the Administration's proposal to limit the state's participation in the cost of IHSS provider wages and benefits to those in effect as of January 10, 2007. The projected growth in statewide revenues in 2007-08 will result in the state's participation in IHSS wages and benefits increasing from \$11.10 per hour to \$12.10 per hour, resulting in a cost of approximately \$14.1 million GF.
- Approved \$149.2 million (\$48.5 million GF) to reflect a lower level of Quality Assurance (QA) savings due to a revised estimate based on actual implementation data. Adopted budget bill language to require DSS to report at budget hearings on the impact of the IHSS QA regulations. Adopted Supplemental Report Language to require DSS to report to the Legislature quarterly on IHSS utilization data by county, task, and client level.
- Adopted trailer bill language to require that the direct deposit for IHSS workers' wages be completed no later than June 30, 2008, with additional interim reporting by the Department of Social Services and the State Controller's Office.

Children and Family Services Programs

- Provided \$9.7 million GF to provide a five percent rate increase beginning, January 1, 2008, to foster family homes and group homes to address cost increases associated with caregiver recruitment and retention, minimum wage changes, payroll tax increases, higher benefit costs, and specialized care requirements.
- Provided a \$20.2 million GF augmentation to the Transitional Housing Program (THP)-Plus to fully fund the 44 counties with approved THP-Plus plans, pursuant to the 2006-07 budget negotiations. Of the total, up to \$10.5 million is to be used for eligible costs incurred in 2006-07.
- ***The Governor vetoed a \$12 million GF augmentation provided by the Legislature to the Adult Protective Services Program.***
- Approved \$93.7 million (\$71.2 million GF) in increased costs to reflect the transfer of additional cases to the Enhanced Kin-GAP Program. Provided \$750,000 GF and adopted trailer bill language to clarify the 100 percent state share to fund the supplemental clothing allowance for the Enhanced Kin-GAP Program and to include three counties previously excluded from the clothing allowance.

- Augmented the Private Adoption Agency Reimbursement Program (PAARP) by \$2.0 million GF to increase, beginning February 1, 2008, the PAARP reimbursement rate from \$5,000 to \$10,000 paid to private adoption agencies for expenditures associated with the adoption of special needs children.
- ***The Governor vetoed \$274,000 (\$187,000 GF) and 3.0 positions provided in the Governor's Budget and approved by the Legislature for DSS to assist in sibling searches within the adoptions program.*** The Governor is delaying implementation of these services for one year.
- Approved \$1.7 million (\$641,000 GF) and 15 positions to ensure that the state's CWS system is prepared to meet new federal Child and Family Services Review (CFSR) requirements. These staff would provide state leadership and oversight, monitoring compliance, data quality and integrity improvements, and technical assistance to counties for the federal CFSRs. The next CFSR is scheduled for spring or summer of 2008.
- Approved \$180,000 (\$90,000 GF) and 1.5 limited-term positions for DSS to support implementation of the Title IV-E Child Welfare Waiver Capped Allocation Project (CAP). ***The Governor vetoed budget bill language added by the Legislature to require DSS to collaborate with stakeholders on the Title IV-E waiver evaluation timeline, components, and execution.***
- Adopted trailer bill language clarifying the responsibilities of the states and the counties in repaying the federal government overpayments to providers of federal child care funds.
- Adopted the Administration's proposal to clarify the rate structure for children who are regional center consumers and in receipt of either Aid to Families with Dependent Children-Foster Care (AFDC-FC) or Adoption Assistance Payments (AAP) benefits (also called "dual agency" children). Added trailer bill language to strengthen the grandfather provisions of the proposal and to require DSS and the Department of Developmental Services to collect information on the number of adoptions and regional center services provided to ensure that the proposal is not negatively impacting adoptions of or services to dual agency children.

Community Care Licensing

- Approved \$2.5 million (\$2.4 million GF) and 34.5 positions to increase facility inspections from 20 percent to 30 percent of facilities each year and to increase follow-up visits to remedy enforcement deficiencies in DSS.
- Approved \$1.7 million (\$1.5 million GF) and ten positions for DSS to begin a project to upgrade its information technology systems supporting the licensing program. ***The Governor vetoed \$1.6 million GF provided by the Legislature to update the Community Care Licensing (CCL) public website pages to display information about legal actions filed by DSS against a provider's license.***

LABOR

0559 LABOR AND WORKFORCE DEVELOPMENT AGENCY

- Augmented the Agency's budget by \$196,000, special fund, to reflect the higher revenue received by the Agency to carry out the purposes of AB 276 (Chapter 329, Statutes of 2003) and SB 1809 (Chapter 221, Statutes of 2004). Both of these bills direct specified revenue to employer and employee labor-law education.

7100 EMPLOYMENT DEVELOPMENT DEPARTMENT

- Approved Finance Letter adjustments to state operations and benefit payments, to reflect the May 2007 forecast of claims for the Unemployment Insurance Program, the Disability Insurance Program, and the School Employees Fund Program.
- Rejected proposed reduction of \$27.1 million and 271 positions to the Job Services Program. ***The Governor vetoed the funding by \$12.1 million.*** The January Governor's Budget had proposed this cut to Employment Development Department Contingency Fund expenditures so the funds could instead be transferred to the GF. The Legislature deleted provisional language that left the amount of the transfer to the discretion of the Director of Finance, so the veto will result in special fund savings, but no 2007-08 GF benefit. Added provisional language requiring a report on services provided to CalWORKs recipients and parolees at One-Stop Career Centers – ***the Governor vetoed this report language.***
- Rejected "Tax Sharing Ratio" proposal to shift the various funds used to support tax collection administrative costs. The rejection of this proposal saves \$13.5 million GF.
- Approved Finance Letter request to adjust the budget for reduced federal funds for the Workforce Investment Program. This included approval of \$2.8 million, federal funds, to create a new "At Risk/Youthful Offenders Gang Prevention" program.
- Approved funding of \$59.2 million for the Employment Training Panel (ETP). The enacted budget included a \$10 million cut to the ETP (to \$49.2 million) to shift an additional \$10 million to the Department of Social Services CalWORKs program to backfill for GF. However, it was later realized that the special fund balance was sufficient to maintain ETP funding at \$59.2 million and still shift \$10 million to CalWORKS – cleanup legislation restored ETP funding to the full \$59.2 million.

7350 DEPARTMENT OF INDUSTRIAL RELATIONS

- Approved budget request to permanently extend 31 limited-term positions, using special funds, in the Division of Workers' Compensation.
- Approved budget request to add 3 positions to the Division of Apprenticeship Standards, but added one additional position so the department has sufficient staff to meet statutory audit requirements. The new positions are supported by special funds.
- Augmented the budget for Apprenticeship Grants from \$1.2 million to \$3.0 million, special funds, in the Division of Apprenticeship Standards.
- Deleted funding for the Industrial Welfare Commission.
- Approved an Administration Budget Change Proposal to add 5.0 positions and \$385,000 GF to address workload in the Licensing and Registration Unit of the Division of Labor Standards Enforcement. *The Governor vetoed this augmentation.*
- Approved a special fund loan, not to exceed \$13 million, from the Workers' Compensation Administration Revolving Fund to the Targeted Inspection and Consultation Fund. Added budget bill language requiring a report on how the Administration proposes to fix the deficit in the Targeted Inspection and Consultation Fund. *The Governor deleted this reporting requirement, but indicated the information will still be provided as though the request had been included in Supplemental Report Language.*

Trailer Bill Language

1. Approved language to allow the department to charge fees to all entities for which the department inspects elevators, rides, and tramway conveyances, including the establishment of fees for local governments.

VETERANS AFFAIRS

8955 DEPARTMENT OF VETERANS AFFAIRS

- Approved budget bill language directing the department in 2007-08 to: (1) undertake the steps necessary to consolidate the separate budget items of the headquarters and veterans' homes into one item; (2) provide quarterly progress reports on its consolidation efforts; and (3) provide a transition plan for final implementation of the consolidation.
- Approved \$10.3 million GF and 22 positions to procure and implement a new Veterans Home Information System (VHIS) intended to conform to federal regulations on data reliability and transferability, resolve contract issues with the current information system provider, Meditech, and will address the IT needs of as yet unbuilt homes.
- Amended the Governor's proposal to provide \$6.5 million GF and one two-year limited term position to upgrade the department's key information technology (IT) hardware and software infrastructure, and instead deferred \$860,000 in technology expenditures until 2008-09.
- Approved \$5.1 million GF, \$1.1 million (Federal Trust Fund), and \$580,000 (reimbursement authority) for pay increases to the following classifications essential to the care of veterans' home residents: psychiatrists, psychologists, social workers, therapists, dentists, dental hygienists, dental assistants, certified nurse's assistants, licensed vocational nurses, supervising registered nurses, physical and occupational therapists, speech pathologists, and respiratory care staff. The pay increases will provide greater parity between these positions and their counterparts in the Department of Corrections and Rehabilitation and the private sector, and better enable the department to recruit and retain medical and health care personnel.
- Accepted a Finance Letter reducing the Governor's proposed \$3.2 million GF increase for ongoing maintenance and equipment replacement and \$1.5 million GF baseline increase for operating expenses and equipment. The Finance Letter corrected errors in the original requests. The net effect of the Committee's actions was to approve: (1) \$2 million GF for ongoing maintenance and equipment replacement at the homes and headquarters; and (2) a \$825,000 GF baseline increase for operating expense and equipment increases associated with increased costs of pharmaceuticals, outside medical services, central supply items, supplemental medical insurance, natural gas, and petroleum purchases.
- Approved \$2.8 million GF and 25 positions to reflect the realignment over time of positions originally assigned to the Farm and Home Program (a non-GF supported program) to GF-supported programs.

- Approved the Governor's request for 19 new positions and \$2.3 million (\$2.1 million GF) to reopen 20 of 40 beds at the skilled nursing facility at the California Veterans' Home—Barstow (CVH-B) in 2007-08. The 20 remaining beds will reopen in the 2008-09 budget year and ongoing costs to operate the 40 bed facility will be \$4.5 million (including \$2.9 million General Fund) and 54 positions. Additionally, adopted supplemental report language requiring the department to identify lessons learned from the previous closing of the beds and policies instituted to avoid future problems.
- Approved the Governor's proposal to reduce Federal Fund and General Fund reimbursements by \$2 million, increase GF by \$940,000, and eliminate eight positions to reflect an unsuccessful effort to convert the Chula Vista Residential Care for the Elderly Facility to an Intermediate Care Facility (ICF). The Department sought and received approval to upgrade their care facility; however, during the conversion process it realized that the project was not financially or physically feasible due to fire and building code regulations, the need for revised architectural drawings, and unforeseen project costs.
- Approved \$1.9 million one-time GF and 8.0 one-year, limited-term positions to address deferred maintenance required to maintain health and safety at the veterans' homes.
- Amended the Governor's proposal for Greater Los Angeles/Ventura County (GLAVC) Veterans Home start-up costs and approved 5.5 positions and \$621,000 GF for the construction and pre-activation phases of the GLAVC veterans' homes. The positions will oversee construction and business operations and ensure the veterans' homes are compliant with federal, state, and local laws and regulations.
- Approved a Finance Letter to provide \$325,000 and five positions to the Veterans' Home of California-Yountville to support implementation of "restraint free" care practices. Additionally, the Legislature adopted budget bill language requiring the department to report on progress in implementing "restraint free" care at all veterans' homes. ***The Governor vetoed the budget bill language, but recognized the Legislature's intent and committed to providing the requested information as though it were included in supplemental report language.***
- Approved \$180,000 GF and converted two expiring limited-term positions to permanent positions for veterans' claims representation at district offices aimed at increasing applications for benefits and reach out to underserved populations.
- Approved a Finance Letter proposal to appropriate \$110,000 from the Veterans Quality of Life Fund (a depository for voluntary tax check-offs). The funds may be used for discretionary purposes as determined by the veterans' home residents.